

PORT AND SOLID WASTE DEPARTMENT

Brown County

APPROVED 9/13.10

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PORT AND SOLID WASTE DIRECTOR

PROCEEDINGS OF THE BROWN COUNTY HARBOR COMMISSION

A meeting was held on **July 19, 2010**, 11:30 a.m., at Holiday Inn – City Centre, Green Bay, WI. The meeting was officially called to order by President McKloskey.

Roll Call:

Present: President Neil McKloskey
Commissioner Ron Antonneau
Commissioner Bernie Erickson (left at 12:45 p.m.)
Commissioner John Gower (arrived at 12:00 p.m.)
Commissioner John Hanitz
Commissioner Tom Klimek
Commissioner Bill Martens
Commissioner Hank Wallace

Excused: Commissioner Craig Dickman

Also Present: Charles Larscheid, Brown County Port & Solid Waste
Dean Haen, Brown County Port & Solid Waste

3. Approval/Modification – Meeting Agenda

A motion was made by Tom Klimek and seconded by Ron Antonneau to approve the agenda. Unanimously approved.

4. Approval/Modification – June 14, 2010 Meeting Minutes

A motion was made by Ron Antonneau and seconded by Tom Klimek to approve the June 14, 2010 minutes. Unanimously approved.

5. 2011 Budget - Request for Approval

Each year the county executive and county boards have the departments put together their budgets and submit them in July. This year the departments need to have their budgets submitted by July 28, 2010. The Port and Solid Waste department has put together as much as possible and now the budget is being brought to the Harbor Commission, as a policy committee, for their approval before it is submitted.

On July 7, 2010 information was received from the Finance Department regarding charge backs. However, revised salary and fringe benefit information was only received July 15, 2010 so there was no way of getting a budget packet together prior to the meeting and sending it out to the Harbor Commission members. Therefore, budget packets were made available at the meeting. Mr. Larscheid apologizes for the inconvenience and will attempt to explain as completely as possible so the board has a good understanding of the budget.

County Executive stated that it will be a difficult budget this year. Should the 2010 budget be carried over into 2011 the county would be millions in deficit so all departments will be required to make cuts. Port and Solid

Waste is an enterprise fund and does not take money from the levy instead receiving money from grants, fees and using the facilities. This year Port and Solid Waste will be required to make 5% possible cuts that County

Executive and his staff will consider. Unions, as part of this budget, appear to have settled for a 2.5% two year increase for 2011. The County Executive has stated he will put in for administration (non union) employees to receive a 2% cost of living increase for 2011.

In the budget package the first page is Policy Initiatives. Policy Initiatives are actions that will be taken that will affect services and the way they are delivered. First initiative is assisting the U.S. Army Corp. of Engineers in closing Renard Island. Brown County Port Area has applied for a Great Lakes Restoration Initiative Grant of \$2M to help fund the U.S. Army Corps closure activities. Brown County Port Area budget revenues and expenses will reflect the grant pass-through funding amounts. Although this seems simple enough what occurs is the grant flows through Brown County, inflates some revenue somewhere and then goes out as an expense. This \$2M will pass through our system – the money will not be earned and it will not be expended however it but it will show up on the budget.

The second initiative is assisting the U.S. Army Corps of Engineers to restore Cat Islands Chain of Islands in the lower Bay of Green Bay. This initiative is similar to the first in that the Brown County Port Area is applying for a Great Lakes Restoration Initiative Grant of \$1.5M to help fund the U.S. Army Corps construction activities. Brown County Port Area budget revenues and expenses will reflect the grant pass through funding amounts.

The third initiative summary are staff reductions. This initiative will decrease the typist position by .42 FTE or \$19,245 and decrease a Student Intern by .50 FTE or \$9,696 annually.

The second page of the 2011 budget packet is the possible 5% budget cuts form. Dean Haen stated that to get to 5% depreciation and grants were taken out of the budget. This left discretionary spending which is approximately \$490,000 and 5% of this is approximately \$24,000. Ways to meet this target are listed on the sheet in order of priority: decreasing professional services to develop the Bysby Avenue project, decrease advertising by approximately a third, suspend periodicals, one year suspension of dues and membership, only send one person to Washington D.C. for legislative lobbying for Port Issues and suspend the Port Symposium for 2011. Although the commission was disappointed with the possible budget cuts believing some cuts were counter productive, Dean Haen stated that these were just possibilities and that any cuts could be reconsidered for next year. The Harbor Commission does not believe the 5% cuts are necessary but agrees with staffs' recommendation if cuts are required. The Harbor Commission would also like periodicals to go to the top of the priority list instead of being third.

The third page of the budget package was the Port Budget expenditures. Dean Haen stated to the commission that the \$2M Renard Island Grant was going through this budget and fifty percent of the Cat Island Project will fall during the next calendar year. Due to these projects supplies and expenses have increased \$5,000. Also, because of the Renard Island Project and Cat Island Project travel expenses will increase due to construction supervision. In addition, intra departmental chargebacks also increased by approximately \$79,000 which has been increased due to salaries. Instead of making each salary a line item they have been consolidated into one. Other than that the 2011 budget has been modeled after the 2010 budget. Dean Haen also stated that the County divvies up purchasing costs by projects. In 2011 The Port Area will have will have \$6M in purchasing costs even though there will only be two purchase orders. This will drive up indirect costs by approximately \$50,000 therefore; we need to let the county know that although there is no additional work being done the value of the work is enormous. President McKloskey believes it would be beneficial to let the County know how large the Ports Area expenditures are going to be 2011. The Harbor Commission would like to keep track of administration so indirect charges do not explode with their formula and the high dollar cost of Cat Island and Renard Island projects.

The fourth page of the Port Budget is the Ports revenues. The Ports revenue is approximately \$7.4M. Excess revenue will carry over because the Port is able to bill back to the grants time for people that actually are not handed money i.e. Mr. Larscheid, the typist. Therefore, there will be a surplus of revenue which will allow the Port to carry a balance going forward.

The fifth page of the Port budget is Bay Port. The commission would like to consider having the work bid out in lieu of using the highway department.

The sixth page of the Port budget is Revenue Fund Expenditures which is looking at two special revenue funds- the Harbor Fee and the Harbor Dredging Fund. Money is taken out of the Harbor Fee for the strategic communication plan and next year \$475,000 will be taken out of the terminal operator money to match the Cat Island Chain project. Out of the Harbor Dredging fund \$25,000 is taken out annually to put in the Renard Island maintenance fund. In addition \$325,000 will be taken out of the Dredging fund for the Cat Island Chain project. The seventh page of the Port Budget is the Port Area Designated Funds Projection. This sheet is looking at the Ports accounts, where the Port expects to be at the end of 2010 and where the Port expects to start 2011, activities that will happen with those accounts and where those accounts should end. There is a plan to dredge 150,000 yards in 2011, multiplied by the tipping fee and allocated to different accounts. The 217 money stays in the accounts for future uses of closures, long term care and maintenance. Overall the Ports fund balance is down from \$5.1M to 4.8M due to the expenditure of \$800,000 out of the Ports money for the Cat Island Chain project.

A motion to approve the Port Area budget, with modifications, was made by Ron Antonneau and seconded by Neil McKloskey. The motion was approved 6-0 with Bernie Erickson abstaining.

6. Fox River Clean Up Litigation Settlement - Update

Mr. Larscheid stated that although there was still quite a bit of confidential discussions, what he could say about the Fox River Clean Up Litigation is that in the past the government has rejected Brown County and Green Bay being able to buy out of continuing litigation but now the government has made an offer to Brown County and Green Bay to settle with the government for litigation purposes. Brown County and Green Bay have been discussing this jointly with their lawyers and may make a counter offer to settle out of continuing litigation. At this time nothing else is developing with the court case or actual lawsuit with the two paper mills and potentially responsible parties. Mr. Larscheid will keep the Harbor Commission informed and bring a possible settlement to the commission if it gets to that point.

7. Tall Ship Festival Booth Activities – Request for Approval

The Port will have a booth at the Tall Ship Festival. Anytime you want to have budget expenditure in a budget category of operation and maintenance you need budget cuts so you do not have to come back with budget changes. In order to spend money at the festival, which Dean Haen deems important, cuts have to be made. The festival has a program that will go into the paper the Sunday before the festival which will include a festival map, a description of the ships, activities and advertisements to pay for the flier. Dean Haen would like to put a full page ad in the program which will cost \$1,300. Mr. Haen feels this is a good idea because people will be given programs and will hold on to them during the weekend and so it is a great way to advertise the Port. The Tall Ship Festival is one event that showcases the international Port of Green Bay and the festival is hoping to attract 70,000 people for the event. Staff would prefer to decrease the size of the ad to a half page ad for \$725. The Port Area is also working to have giveaways at the Tall Ships Festival as well as utilizing the school curriculum box that was created which includes a large 10 x 20 canvas map of the Great Lakes that will lie down on the ground. The hope is to have adults answer a question pertaining to Ports and the Great Lakes and attach the answer to the map. Every time people come to the map it will be building on the information and to get them to the map adults will receive a Port can cooler and children will receive a Port logo tattoo. There will also be a 3 x 8 foot Tall Ship banner that will hang down from the tent with the Port's logo to let people know what the tent is. Dean Haen is also working with Alexander Sports Fisherman to donate a half day of fishing and possibly a donation from the Foxy Lady to have people enter in a free raffle and hopefully spend some time in the Port's tent. Mr. Haen will also be playing DVD's, which are included in the school curriculum box, throughout the day. The cost for the tattoos is \$1000 for 15,000 tattoos. The cost for can coolers is \$0.99

a piece for 5,000. The banner is \$200. Mr. Haen feels all of these expenditures are important to allow the community to appreciate all of the important aspects of the Port of Green Bay.

A motion was made by Hank Wallace and seconded by Ron Antonneau to approve staffs recommendations for the budget additions and budget cuts – including reducing the program ad from a full page to a half page. Motion was approved 6-1 with Neil McKloskey voting against the motion. Motion approved.

8. Cat Island Chain Restoration Project - Update

The Port of Green Bay has been awarded a \$1.5M Great Lakes Restoration Initiative Grant to restore the Cat Island chain located in lower Green Bay. The U.S. Army Corp of Engineers is releasing their dredge management plan in August. The Cat Island Project is moving very quickly. Attached in the package are a Project Cooperative Agreement and a Memorandum of Understanding for the Cat Island project. Dean Haen would like input on these two agreements. Dean Haen would like to get the two agreements into draft form as soon as possible, take them to Corporation Council and then bring back the agreements when final.

9. Closure of Renard Island – Update

The Port of Green Bay has been awarded a \$2M Great Lakes Restoration Initiative Grant to put \$2M of the \$5M toward the environmental capping and closure of Renard Island. This project is also moving very quickly. The DNR has a chapter 30 permit which they should be taking action on shortly. The U.S. Army Corp of Engineers has developed plans and specifications and as soon as they receive a permit they will issue and bid. The Corp is hopeful to start building the causeway in October. Should the causeway be started in October, in December the \$2M will be used to haul 200,000 cy of dredge material over to Renard Island. All the soils are already at Bay Port.

10. Beneficial Reuse of Dredge Material – Update

The DNR has sent an approval letter to use the beneficial dredge material from Bay Port at the East and West Landfill. Twenty – five thousand cy will be hauled over to these two landfills, the dredge material will help seal the clay caps on the landfill.

11. Audit of Bills – Request for Approval

Motion to approve the bills was made by Bill Martens and seconded by Ron Antonneau. Unanimously approved.

12. Tonnage Report – Request for Approval

Motion to approve the tonnage report was made by Ron Antonneau and seconded by Tom Klimek. Unanimously approved.

13. Directors Report

Director Larscheid updated the Commission on the hiring timeline of the Department Facility Manager. The person should be hired by September 1. The priority will be to get up to speed on the Cat Islands and Renard Islands project first.

14. Such Other Matters as are Authorized by Law

None

15. Adjourn

A motion to adjourn was made by Hank Wallace and seconded by Ron Antonneau. Unanimously approved.

Neil McKloskey, President
Harbor Commission

Charles Larscheid, Director
Port & Solid Waste Department